STAFF REPORT

PORT OF SAN FRANCISCO

MAY 13, 1987

SUMMARY OF FINDINGS

and

RECOMMENDATION FOR FURTHER STUDY

COMMERCIAL FISHING FACILITIES

at

FISHERMAN'S WHARF

- prepared by -

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- assisted by -

Ripley Associates
Moffat & Nichol, Engineeers
Williams.Kuebelbeck & Associates

A. BACKGROUND

The Port's development plan for Fisherman's Wharf is based on the Commission's 1981 Fisherman's Wharf Action Plan, as amended in 1985. The Action Plan process was a comprehensive planning approach to Wharf development, involving extensive public participation. Action plan policies address a full range of land use and urban design issues, but the plan is aimed at enhancing the San Francisco fishing industry. Key provisions are:

- o development of fish handling facilities on a new Hyde Street Pier
- o construction of a breakwater and vessel berths
- o hotel/ mixed use development on Pier 45 to finance the fishing development.

The Action Plan originally provided for a condominium/hotel/ commercial development for Pier 45. However, in 1984 after completion of the Action Plan EIR, the State Lands Commission informed the Port that residential use is not permissable on this trust lands site. In response the Port authorized a task force of community, Port tenant, and other business group representatives to recommend an alternative land use plan for the pier. They recommended a hotel/mixed use development. In 1985 the Port Commission amended the Action Plan to include this recommendation.

The Action Plan is reflected in BCDC's Special Area Plan for the San Francisco Waterfront and the City's Comprehensive Plan.

Prior to the Port's amendment to the Action Plan, the US Army Corps of Engineers and Port Commission gave final approval to a plan for a free standing protective breakwater. This agreement resolved funding and siting issues and was a catalyst to planning the full fisheries development. The breakwater was completed in October 1986.

In 1985, shortly after amending the Action Plan, the Port advanced planning on both the Pier 45 and Hyde St. projects. Requests for developer qualifications and proposals were issued for a hotel on Pier 45. Four proposals were received in January of 1987. In accordance with the Request for Proposals the developers proposed lump sum rent prepayments in excess of five million dollars to be used to help finance the fishing facilities

development.

Also in 1985, the Port engaged fisheries consultant Carol M. Brown to prepare a report on the Wharf fishing industry facilities needs. This report contained an historical review and projections of industry growth and an assessment of infrastructure required to serve the needs of both the fishing fleet and fish handlers at Fisherman's Wharf. The work was developed in close consultation with Fisherman's Wharf industry tenants and underwent three complete reviews prior to adoption by the Commission in July 1986.

During the Fall of 1986, an advisory committee, composed of industry, neighborhood, recreational, and Wharf merchant representatives was formed to assist in the coordinated development of both Pier 45 and Hyde Street projects. The Port, with advisory committee agreement, selected a conceptual design team of architects, engineers and financial consultants. Together with the fisheries consultant and Port staff, the team is especially suited to design fishing facilities in the complex Wharf setting. The scope of work was developed and all work was conducted in close consultation with the advisory committee and the fishing industry.

The guidelines for the conceptual design were based on the Action Plan and a facilities program developed by C. Brown based upon her earlier report and subsequent discussions with the industry. The objective was to develop a physically and financially viable plan for commercial fishing infrastructure at Hyde Street. The conceptual design was structured in phases:

PHASE I — development of 4 alternative physical plans, preliminary cost estimates, and funding source identification

PHASE II — refinement of Phase I plans into two workable alternatives, cost estimates, and financial analysis.

PHASE III — preparation of a prefered concept plan including identification of crucial design issues, cost estimates, and operating and financing plans.

As will be described below, issues identified during the initial phase of the project prevented the reduction of alternatives to two as originally anticipated. The design work now stands in an extended Phase II.

1981

- Adoption of Fisherman's Wharf Action Plan

1982

- City Comprehensive Plan change and BCDC Plan application
- R. Rossi comes to Port
- EIR on F. W. Action Plan begun

1983

- Bechtel Report on Breakwater and Hyde St. Pier (incomplete)
- Final EIR on "Condo" concept
- E. Gartland becomes Director

1984

- Condos finally disallowed by State Lands Comm.
- Staff recommends new land uses for Pier 45
- Port Commission appoints Task Force

1985

- Task Force meetings ...
- Task Force Recommendation
- Port Commission adopts revisions to F. W. Action Plan (hotel)
- Consultants begin preparation of RFQ
- RFQ public hearings requested by community

1986

- RFQ Issued
- Draft fisheries study done (3 hearings held)
- RFQ responses due
- Final Carol Brown report adopted
- RFP issued
- Breakwater completed

1987

- RFP responses due
- Hyde St. Pier alternatives and cost estimates

CHRONOLOGY OF EVENTS

B. CONCEPTUAL DESIGN ALTERNATIVES

A series of alternatives were developed in response to accommodating the infrastructure program for both berthing and fish handling at Hyde Street. The Phase I schemes focused on meeting the infrastructure program and satisfying a variety of physical objectives. Phase II refined the most workable schemes from Phase I and considered cost tradeoffs in terms of industry needs and non-industry requests. The alternatives developed included the following:

PHASE I

A - Maximum preservation of Fish Alley buildings

B - Minimum preservation of Fish Alley buildings

C - Partial preservation of Fish Alley - 40 ft buildings

D - Partial preservation of Fish Alley - 25 ft buildings

Phase II

D2- Retention of Fish Alley buildings - 25 & 40 ft buildings - retention of existing fuel tank

E - Reconstruction of waterside Fish Alley buildings - 25 & 40 ft buildings - retention of existing fuel tank

F - Minimal new pier construction - 25 ft buildings - retention of existing fuel tank

G - Maximum construction of new pier and berthing - 25 ft buildings - retention of existing fuel tank

The following table presents a comparison of the major features of each alternative. Site plans and typical building sections are included in Appendix A.

COMPARATIVE SUMMARY OF HYDE STREET CONCEPTUAL ALTERNATIVES

SCHEME	A	B	C	D	D2	E	F	G
Retain Fish Alley leases	yes	no	some	some	yes	some	some	some
Building Height	40	40	40	25	25 / 40	25 / 40	25	25
Storage/Parking	yes	yes	yes	yes	no /yes	no /yes	no	yes
New Fuel Tank	yes	yes	yes	yes	no	no	no	no
Estimated Cost ($ millions)	27.4	32.3	31.8	34.7	20.8/21.7	25.5/27.8	18.0	39.2
Net Bay Fill (acres)	2.7	1.6	2.3	2.5	2.0	2.1	1.6	4.0

C. PHYSICAL ANALYSIS

PHASE I

The preliminary alternatives addressed the importance of product handling, vehicle access and on-site circulation, as well as the potential problems of lease negotiation and business disruption for some Fish Alley tenants.

Scheme A which fully addressed lease negotiation by retaining all of the existing Fish Alley buildings was seen as problematic in terms of efficient product handling and vehicle circulation. Complete reconstruction of Fish Alley (Scheme B) did not appear to result in a more acceptable design either in terms of disruption to existing businesses, cost, or vehicle and vessel access.

Schemes C and D illustrated potentially workable alternatives and were refined in the second phase to improve the designs in terms of truck circulation and vehicular loading areas. The analysis of Phase I alternatives also resulted in the recommendations that the Phase II alternatives should reserve an area for GGNRA to berth and interpret their collection of vessels, reflect at least one functional plan which would not require 40 foot high buildings, designate an area for a public market, and allow for vessel fueling in conjunction with loading of ice.

The development cost estimates during Phase I ranged between $27 and $35 million. It was recommended that the second phase should incorporate opportunities for reducing costs which did not jeopardize the operational efficiency of the facilities. Areas of potential cost savings which were identified included retention of the existing fuel tank, more efficient use of new pier space and a more economical structural system for pier and buildings. Minimizing construction in the deep water zone out toward the breakwater was recognized as important both to minimize costs and walking distances for fishermen.

PHASE II

Phase II alternatives focused on refining Phase I schemes to improve their operational characteristics and address cost sensitivities by looking at the impacts of building height, and pier size on development costs. General findings during this phase were: the seawall along Fish Alley has a potential life of 10 years; the most acceptable traffic circulation solution is major access and egress at Leavenworth St. with secondary access and egress at Hyde St.

Retention of portions of the existing fish handling building on the north side of Fish Alley, as depicted in Scheme D2, creates

excessive traffic congestion, and could possibly result in difficult structural problems in terms of strengthening and enlarging the marginal wharf to the extent necessary to accommodate anticipated traffic. The suitability of the marginal wharf for off-loading of fishing vessels is limited given its primary role as a thoroughfare.

From an operational standpoint, Scheme E incorporates the most desirable features. However, the issue of building height versus the needs of the industry remains unresolved. The GGNRA expressed concern that vehicle traffic on the north side of Jefferson St. at Hyde St. would impact their pedestrian oriented activities.

Scheme F, depicting a minimum area of new pier construction jeopardizes vehicular operations sufficiently to make it unacceptable. Gear storage and on-site long term parking within a 25 foot height limit (Scheme G) limits opportunities for future expansion of the industry because the pier required to accommodate the current program essentially utilizes all available area. It also may not satisfy GGNRA operational requirements.

D. FINANCIAL ANALYSIS

The financial analysis of the alternative designs included estimation of development costs and preliminary identification of financing options. Emphasis was on developing a common basis for comparing the alternatives.

The development cost estimates were broken into four major cost centers:

- o pier and major utility systems
- o vessel berths, communal hoist and work dock
- o buildings (shells requiring tenant improvements)
- o development costs

Appendix B contains a summary of estimated costs for each of the Phase II alternatives. They range between $18 and $39 million.

A survey was made of potential sources of capital for the various infrastructure components including loans, loan guarantees, and grants. This information is also contained within Appendix B.

A preliminary financial analysis indicated which components of the program could be debt-financed given the estimated costs,

eligibility requirements, and Port borrowing restrictions. This analysis was at two levels: typical rates for facilities similar to those being planned (Market Rates) and rates set to equal estimated debt service and operating/ maintenance costs (Breakeven Rates).

Each of the infrastructure components potentially will require a different financing scheme. The preliminary analysis indicates that in order to achieve market rates, the Port or other equity investor will be required to fund at least 80% of the total development costs under any of the alternatives studied to date. Only the vessel facilities appear to be a candidate for 100% debt financing.

E. REGULATORY CONCERNS

BCDC requirements for mitigation of fill, or establishment and use of fill credits, may impose significant cost burdens on the project. Net new fill considering new pier area, berthing floats, and removal of some existing fill at Hyde St. and Pier 47A averages approximately 2 acres for the most workable plans. If a 25 ft height is imposed, the required infrastructure would be spread over 4 acres of new fill. The Port currently has 0.2 acres of fill credits in this location.

F. CONCLUSIONS

Analysis of constructing both berthing and fish handling infrastructure at Hyde Street indicates:

- Scheme E with further refinements would be physically workable. However the adequacy of this plan is dependent upon achieving a 40 ft height limit which currently is opposed by a variety of non-industry groups. Costs for this scheme is estimated at $28 million.

- Development costs of a design reflecting all industry and non-industry concerns would leave little if any room for industry expansion and conflicts with GGNRA's plans. The estimated cost of this plan is $39 million.

- To achieve lease rate structures afordable to the industry, the Port's financial commitment is likely to exceed the cost of constructing new pier and utility services. Breakeven rents for fish handling space in all alternatives

exceeds industry affordability.

- The berths could be self-financing providing a low interest loan is obtained. Eligibilty is uncertain.

- Fill credits of up to 4 acres may be required. Such credits could be earned by removal of existing piers outside of the Fisherman's Wharf area if BCDC changes existing policy to permit moving credits from the southern waterfront. The approximate average cost per acre of pier removal is $250,000.

- Impacts in terms of views, intensification of vehicle traffic and pedestrian conflicts are unresolved. Workable solutions are possible but costly.

G. RECOMMENDATION

Identified project costs are sufficiently high to require either:

- A commitment by the Port Commission to subsidize the fishing industry beyond the land prepayment and potentially the present value of the Pier 45 hotel proposals;

or

- Removal of the financial and physical pressures from the the Hyde Street Pier development by placing some of the infrastructure need of the commercial fishing industry on Pier 45.

If the first course were adopted, the conceptual design team would work with the industry, citizen and governmental groups to resolve design issues and develop a prefered plan recommendation for Hyde Street in which the Port is committed to contribute sufficient funding to assure lease rates for both fish handlers and vessels operators are affordable.

The second course is recommended. This will entail studying three alternative schemes for placing commercial fishing infrastructure on Pier 45.

- o Berthing, parking and gear storage on Pier 45 - fish handling at Hyde Street

- o Fish handling and parking on Pier 45 - berthing and gear storage at Hyde Street

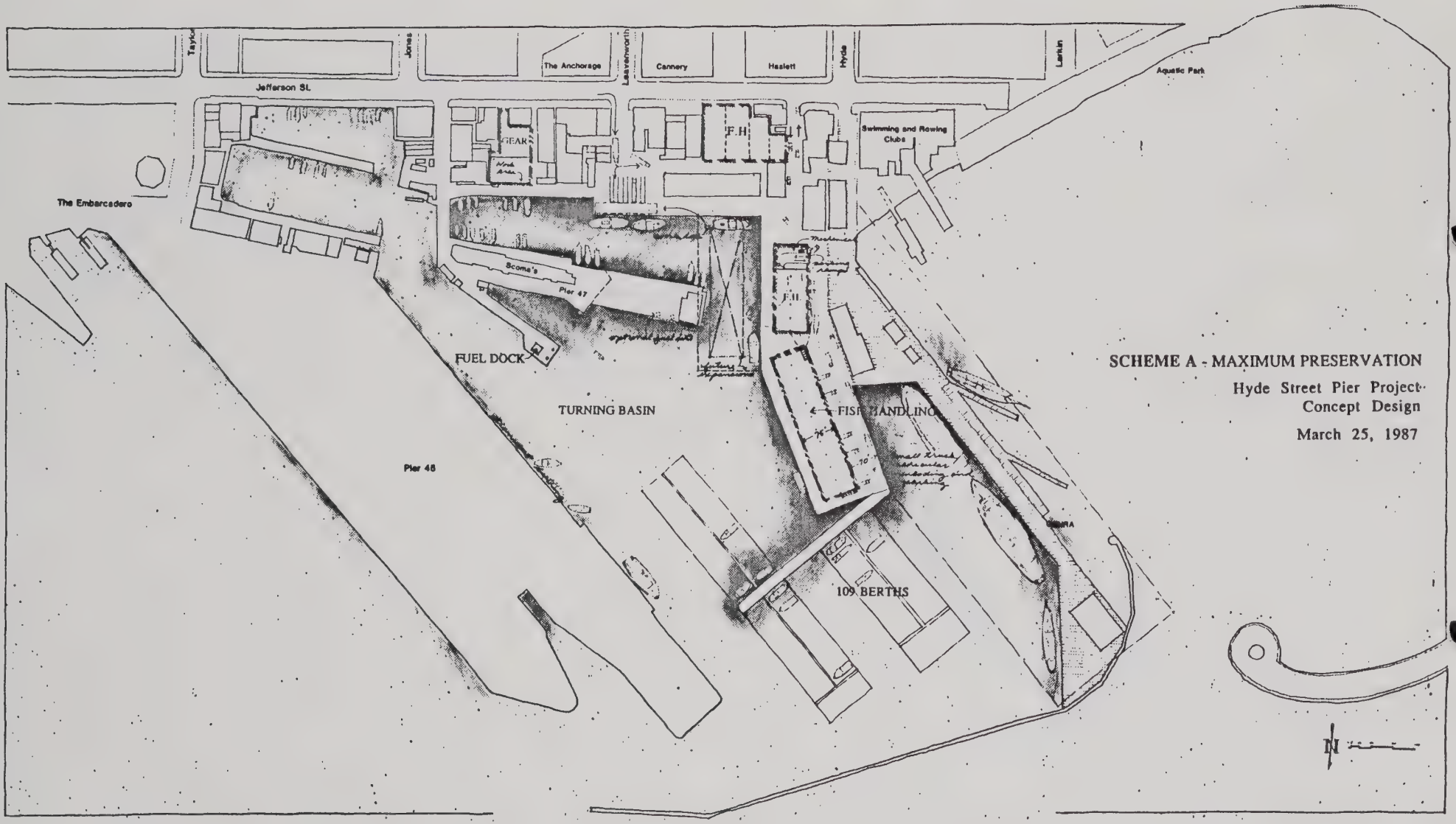
- o Fish handling, parking, gear storage and berthing on Pier 45

All three alternatives will designate areas for commercial development on Pier 45 and Hyde Street to the extent such area is not needed by the industry. To the extent possible, the hotel development potential will be preserved. The results of this analysis, including physical and financial feasiblity will be reported to the Port Commission by June 15, 1987.

It is the staff's recommendation that the Port Commission authorize the conceptual design team to study three alternatives for including commercial fishing industry facilities within the Pier 45 development.

APPENDIX A

CONCEPTUAL PLANS

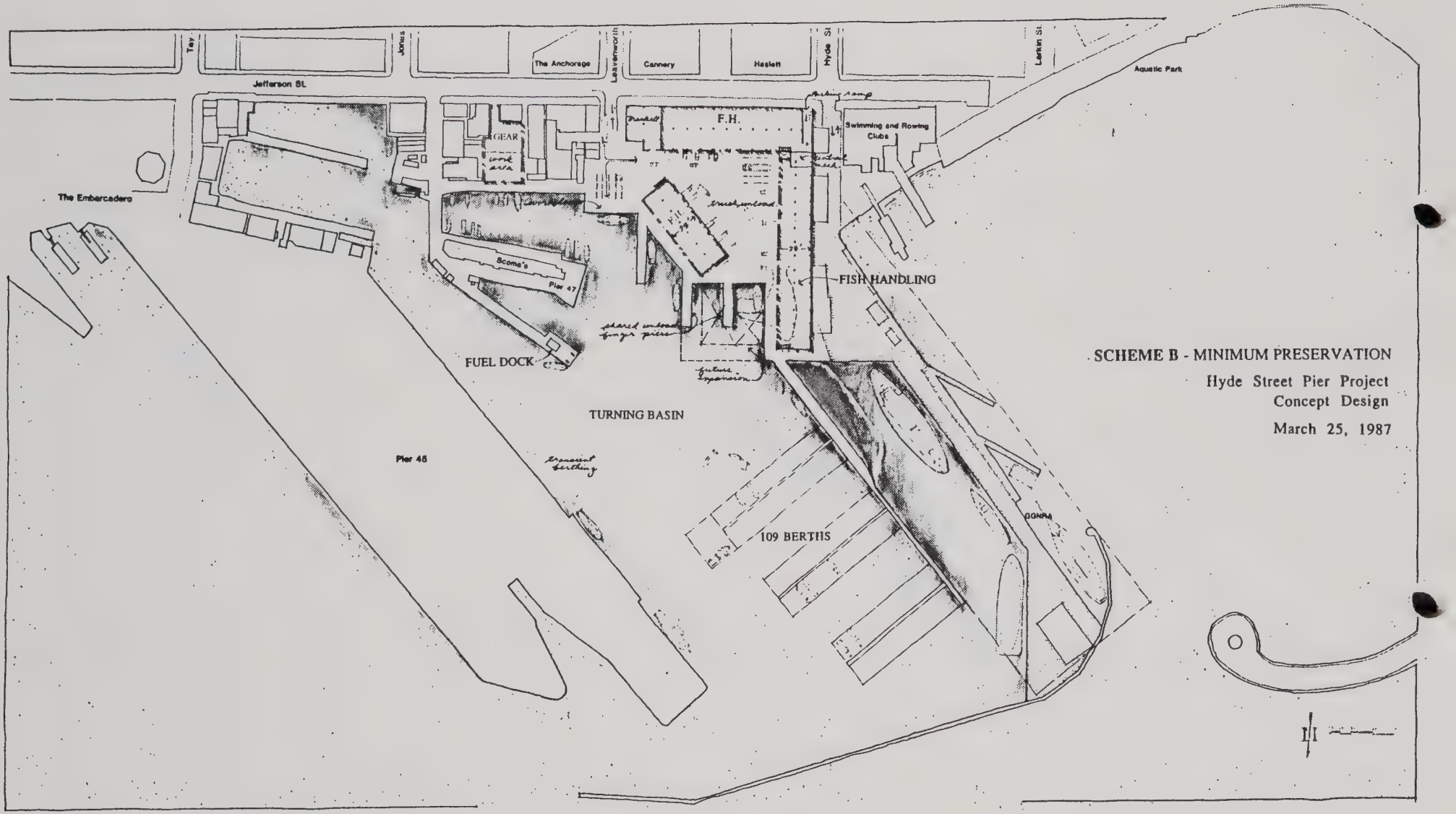


SCHEME A - MAXIMUM PRESERVATION

Hyde Street Pier Project
Concept Design

March 25, 1987

Ripley Associates
Moffatt & Nichol, Engineers
Williams, Kuebelbeck & Associates

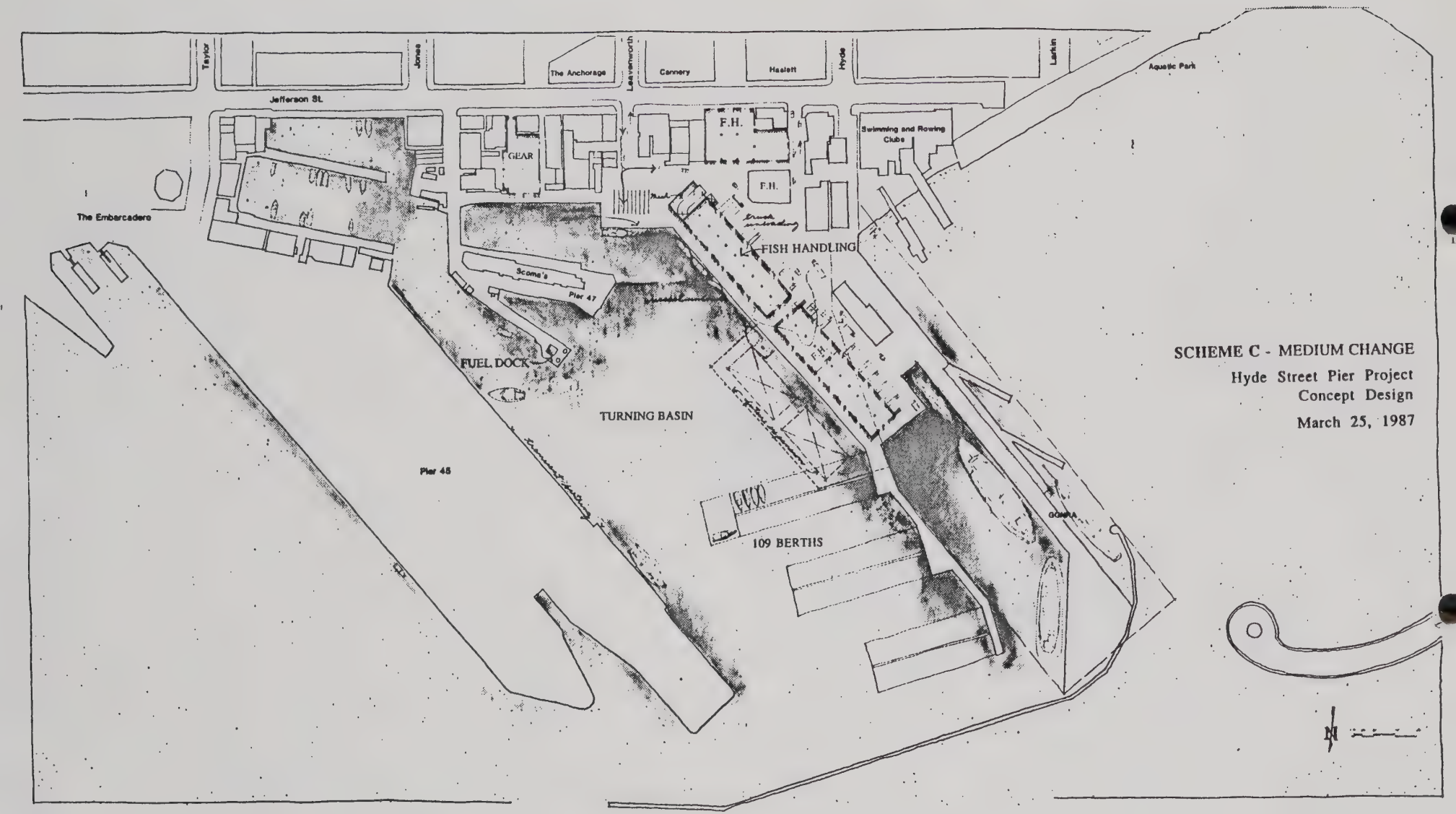


SCHEME B - MINIMUM PRESERVATION

Hyde Street Pier Project
Concept Design

March 25, 1987

Ripley Associates
Moffatt & Nichol, Engineers
Williams, Kuebelbeck & Associates

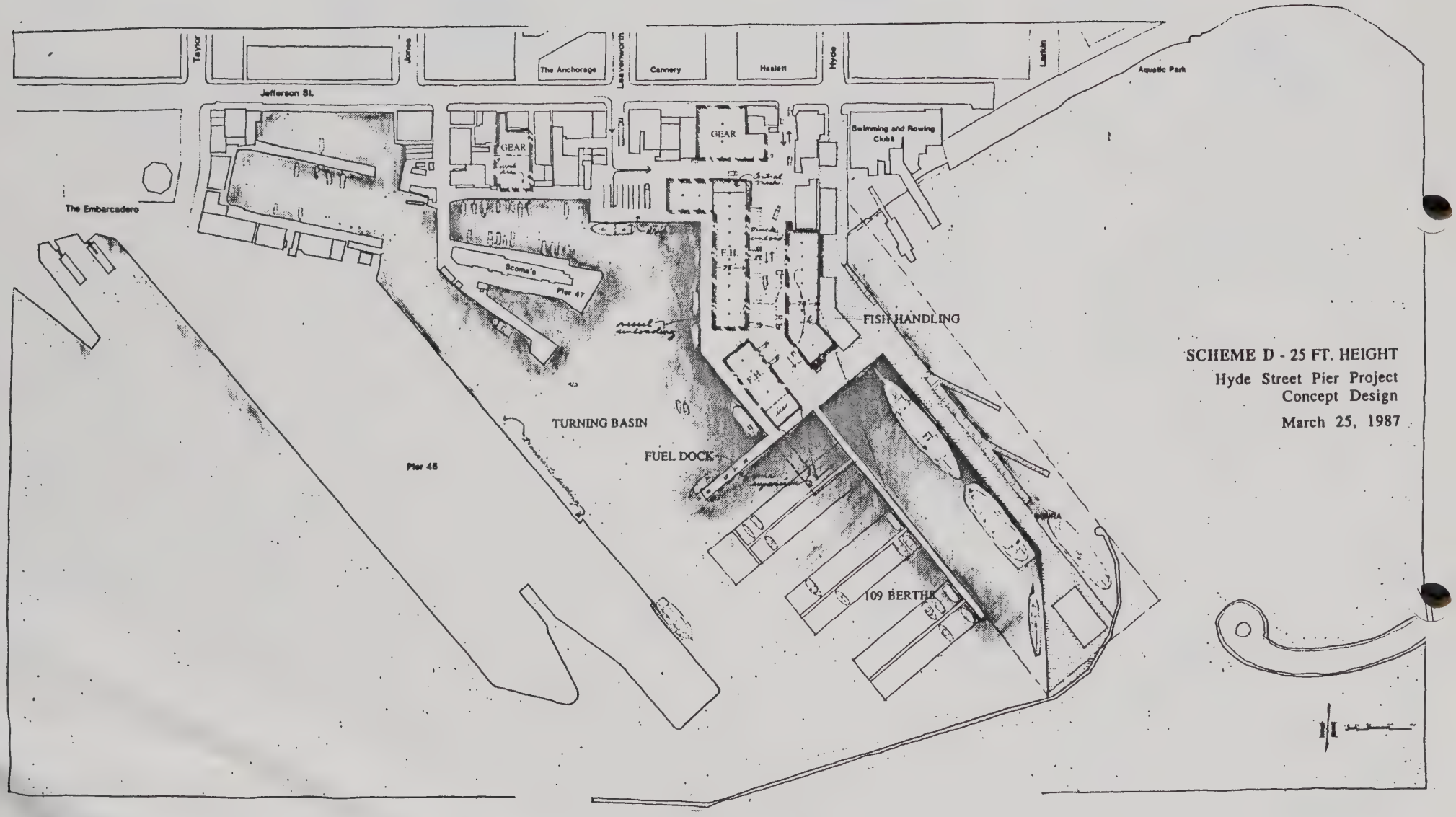


SCHEME C - MEDIUM CHANGE

Hyde Street Pier Project
Concept Design

March 25, 1987

Ripley Associates
Moffatt & Nichol, Engineers
Williams, Kuebelbeck & Associates

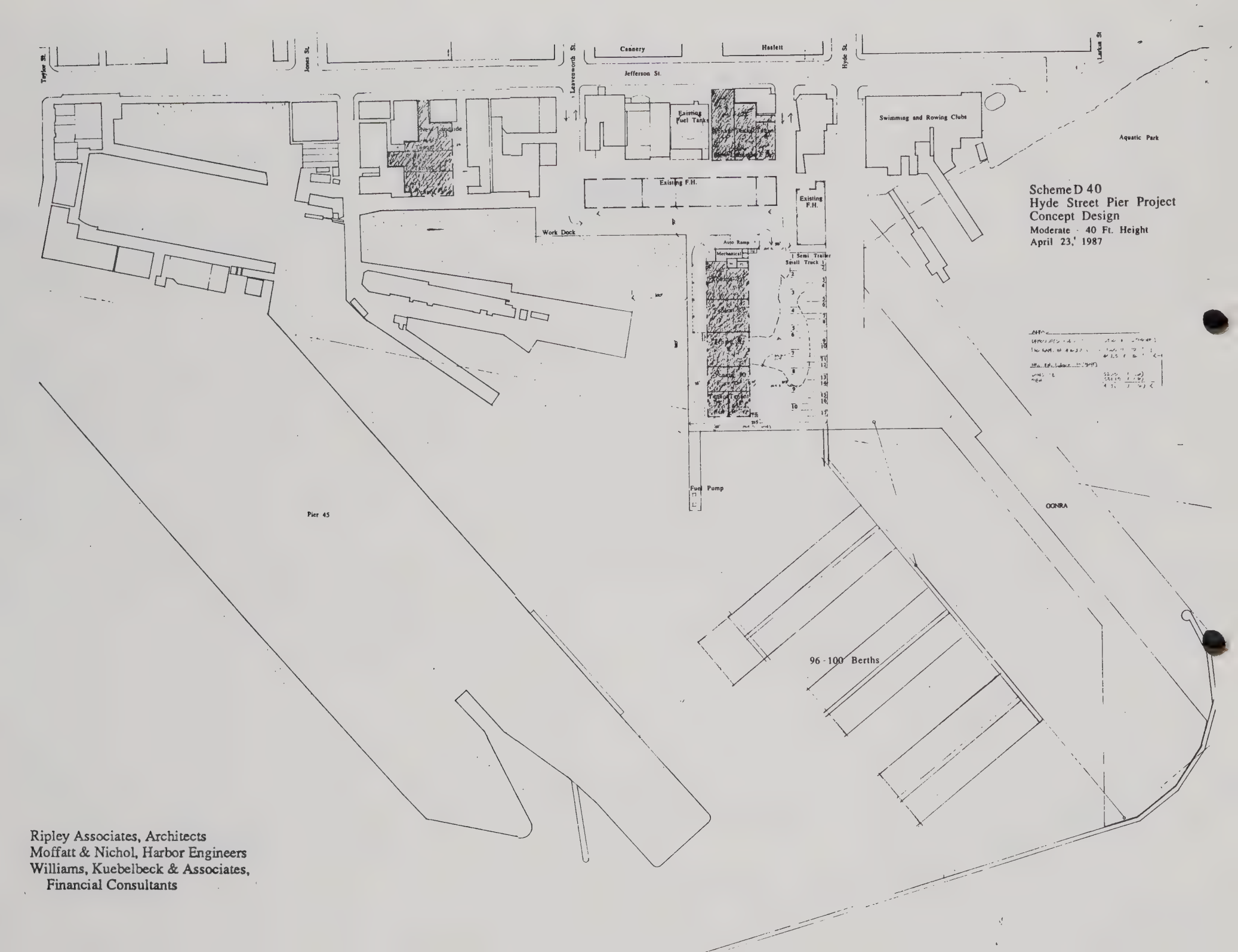


SCHEME D - 25 FT. HEIGHT

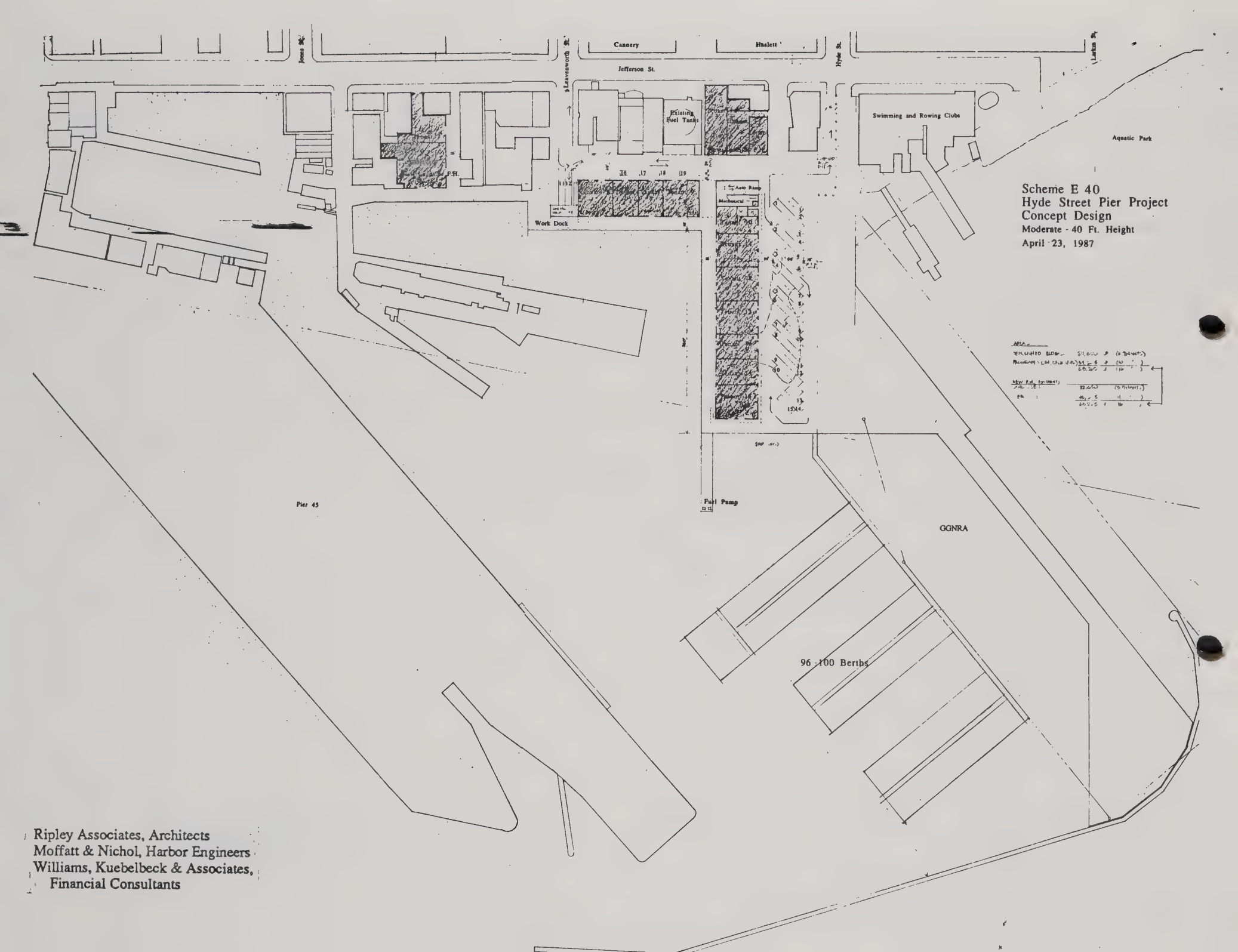
Hyde Street Pier Project
Concept Design

March 25, 1987

Ripley Associates
Moffatt & Nichol, Engineers
Williams, Kuebelbeck & Associates

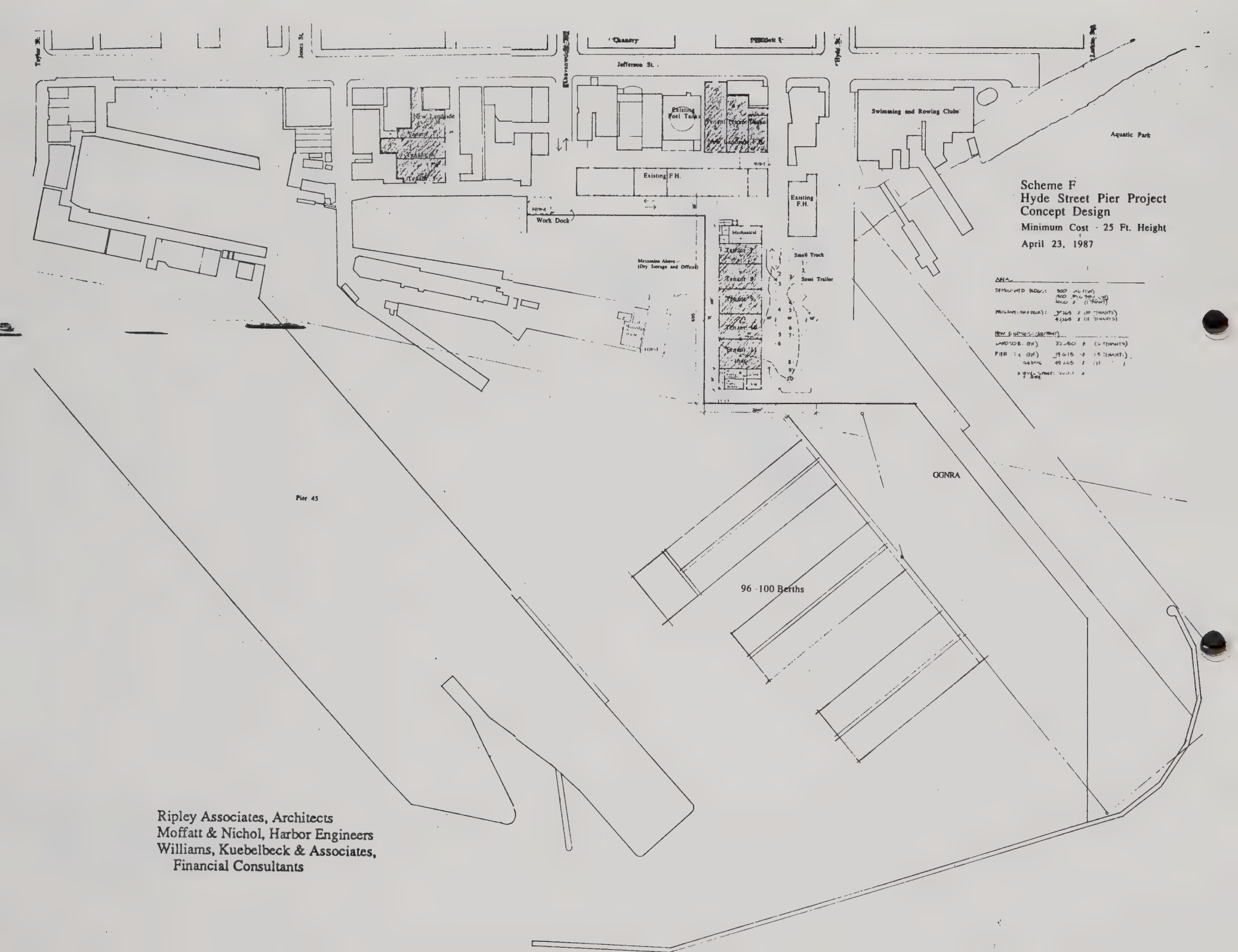


Ripley Associates, Architects
Moffatt & Nichol, Harbor Engineers
Williams, Kuebelbeck & Associates,
Financial Consultants



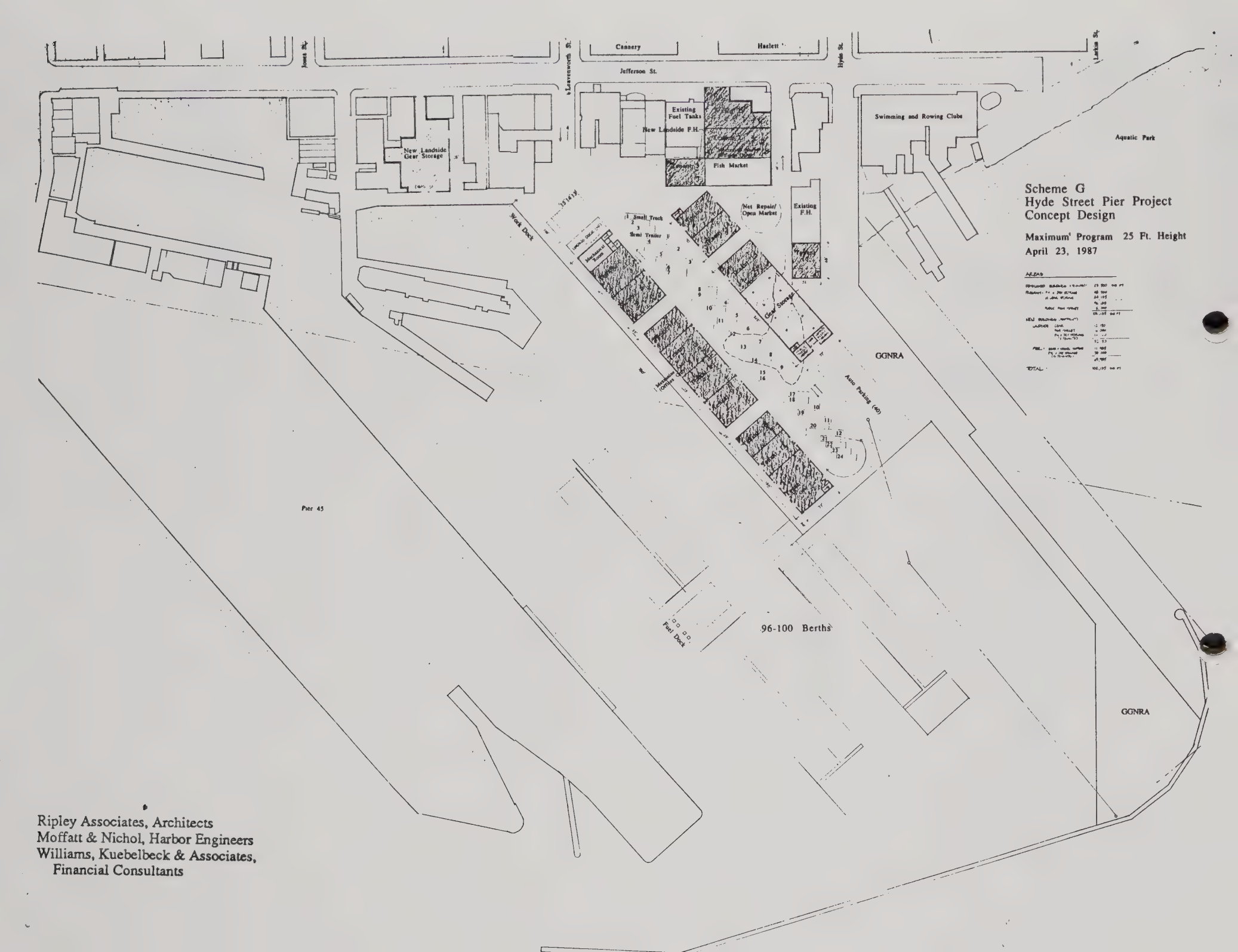
Scheme E 40
Hyde Street Pier Project
Concept Design
Moderate - 40 Ft. Height
April 23, 1987

Ripley Associates, Architects
Moffatt & Nichol, Harbor Engineers
Williams, Kuebelbeck & Associates,
Financial Consultants



Scheme F
Hyde Street Pier Project
Concept Design
Minimum Cost - 25 Ft. Height
April 23, 1987

Ripley Associates, Architects
Moffatt & Nichol, Harbor Engineers
Williams, Kuebelbeck & Associates,
Financial Consultants



Ripley Associates, Architects
Moffatt & Nichol, Harbor Engineers
Williams, Kuebelbeck & Associates,
Financial Consultants

Hyde Street Pier Project - A Comparisons
29 April 1987

	Net	Gross		Use
Scheme D-40				
Moderate				
1.Pier Building:				
(40' Ht./6 tenants)				
Deck +0	21,959	23,115	sf	F.H.- 95% eff. (includes some area under ramp)
Mezz +17	10,018	13,095	sf	Office/ Dry Storage** - 76.5% eff.
Second +27	2,160	2,880	sf	Port Office -75%
	1,965	2,620	sf	Vessel Support*/Store-75%
	6,689	7,869	sf	Gear Storage-85%
	19 spaces	9,306	sf	Parking (no ramp area included)
Subtotal		**58,885**	**sf**	
2. Landside Building:				
(25' Ht./6 tenants)				
Ground +0	21,518	22,650	sf	F.H. -95%
Mezz +15	10,020	10,547	sf	Office/ Dry Storage**-95%
Subtotal		**33,197**	**sf**	
TOTAL		**92,082**	**sf**	
Parking Ramp		6,375	sf	
Demolition		6,500	sf	
(Current leaseholds)				
Scheme D-25				
1.Pier Building:				
(25' Ht./6 tenants)				
Deck +0	21,959	23,115	sf	F.H.-95%eff.
	2,063	2,750	sf	Store/Port Off/Vessel Support*-75%
Mezz +15	10,020	13,360	sf	Office/ Dry Storage** - 75% eff.
Second +15	2,063	2,750	sf	Store/Port Off/Vessel Support*-75%
Subtotal		**41,975**	**sf**	
2. Landside Building:				
(25' Ht./6 tenants)				
Ground +0	21,518	22,650	sf	F.H. -95%
Mezz +15	10,020	10,547	sf	Office/ Dry Storage**-95%
Subtotal		**33,197**	**sf**	
TOTAL		**75,172**	**sf**	
Demolition		6,500	sf	
(Current leaseholds)				

*Vessel Support= Laundramat, toilets, showers
**Dry storage= 880 asf/tenant
Office= 790 asf/tenant

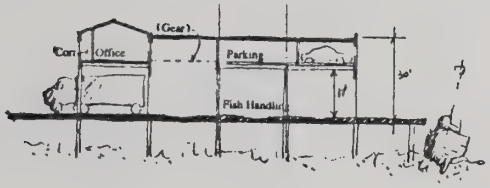
	Net	Gross		Use
Scheme E-40:				
Moderate				
1.Pier Building:				
(40' Ht./11 tenants)				
Deck +0	43,334	45,615	sf	F.H.- 95% eff. (includes some area under ramp)
Mezz +17	18,603	24,414	sf	Office/ Dry Storage** - 76.2% eff.
Second +27	2,160	2,880	sf	Port Office -75%
	1,965	2,620	sf	Vessel Support*/Store-75%
	12,033	14,156	sf	Gear Storage-85%
	42 spaces	24,896	sf	Parking (no ramp area included)
Subtotal		**114,581**	**sf**	
2. Landside Building:				
(25' Ht./5 tenants)				
Ground +0	21,518	22,650	sf	F.H. -95%
Mezz +15	8,350	8,789	sf	Office/ Dry Storage**-95%
Subtotal		**31,439**	**sf**	
TOTAL		**146,020**	sf	
Parking Ramp		4,500	sf	
Demolition		29,000	sf	
(Current leaseholds)				
Scheme E-25				
1.Pier Building:				
(25' Ht./11 tenants)				
Deck +0	45,947	48,365	sf	F.H.-95%eff.
Mezz +15	18,370	24,493	sf	Office/ Dry Storage** - 75% eff.
Subtotal		**72,858**	**sf**	
2. Landside Building:				
(25' Ht./5 tenants)				
Ground +0	18,905	19,900	sf	F.H. -95%
	2,063	2,750	sf	Store/Port Off/Vessel Support*-75%
Mezz +15	8,350	8,789	sf	Office/ Dry Storage**-95%
Second +15	2,063	2,750	sf	Store/Port Off/Vessel Support*-75%
Subtotal		**34,189**	**sf**	
TOTAL		**107,047**	sf	
Demolition		29,000	sf	
(Current leaseholds)				

	Net	Gross		Use
Scheme F-25				
Minimum Cost				
1.Pier Building:				
(25' Ht./5 tenants)				
Deck +0	18,634	19,615	sf	F.H.-95% eff.
	1,950	2,600	sf	Store/Vessel Support*-75%
Mezz +15	8,350	11,133	sf	Office/ Dry Storage** - 75%
	2,175	2,900	sf	Port Offices-75%
Subtotal		**36,248**	**sf**	
2. Landside Building:				
(25' Ht./6 tenants)				
Ground +0	21,518	22,650	sf	F.H. -95%
Mezz +15	10,020	10,547	sf	Office/ Dry Storage**-95%
Subtotal		**33,197**	**sf**	
TOTAL		**69,445**	**sf**	
Demolition		3,000	sf	
(Current leaseholds)			sf	
Scheme G-25				
Maximum Program				
1.Pier Building:				
(25' Ht./13 tenants)				
Deck +0	55,100	58,000	sf	F.H./Dry Storage -95%
	8,085	9,512	sf	Gear Storage-85%
	1,950	2,600	sf	Store/Vessel Support*-75%
Mezz +15	10,271	13,695	sf	Tenant Office** - 75%
	2,175	2,900	sf	Port Offices-75%
Second +15	10,295	12,112	sf	Gear Storage-85%
Subtotal		**98,819**	**sf**	
2. Landside Building:				
(25' Ht./3 tenants)				
Ground +0	11,900	14,000	sf	F.H./Dry Storage -85%
	10,328	12,150	sf	Gear Storage/Work Area-85%
		6,000	sf	Fish Market
Mezz +15	2,370	2,495	sf	Tenant Office - 95%
Second +15	10,328	12,150	sf	Gear Storage-85%
Subtotal		**46,795**	**sf**	
TOTAL		**145,614**	**sf**	
Demolition		23,500	sf	
(Current leaseholds)				

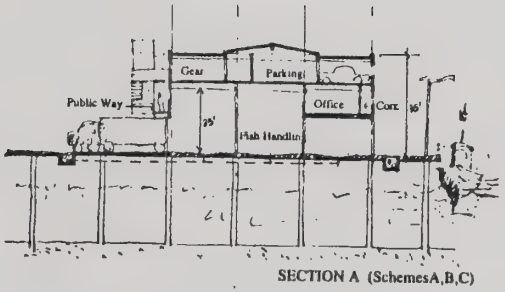
Program for 10 Tenants

1. Fish Handling		34500 sf	
Dry Storage		8,800 sf	
Mech./Toilets		2,800 sf	
	Total Net	46,100 sf	
	Gross	48,500 sf	(95% eff.)
2. Gear Storage		34,375 sf	
Work Area		5,000 sf	
	Total Net	39,375	
	Gross	46,324	(85% eff.)
Vessel Support	Total Net	1,650 sf	
(toilets,showers,laundramat)	Gross	2,200 sf	(75% eff.)
	Total gross	48,524	
3. Offices			
a. Port Administrative	Net	2,150 sf	
	Gross	2,866 sf	(75% eff.)
b. Fish handling Tenant	Net	7,900 sf	
	Gross	10,535 sf	(75% eff.)
4. Convenience Store	Net	300 sf	
	Gross	400 sf	

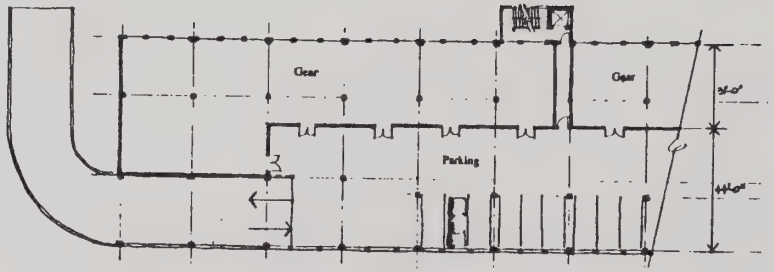
Note: Area for Existing Fish Handling buildings that are removed, is added to the program requirement.



SECTION A-1 (Alternate Section)

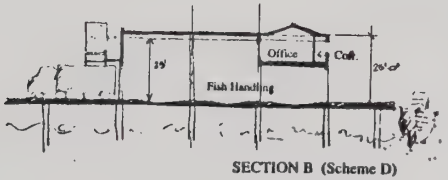


SECTION A (SchemesA,B,C)

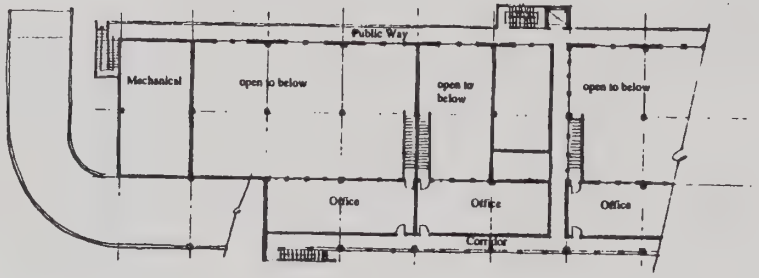


SECOND FLOOR

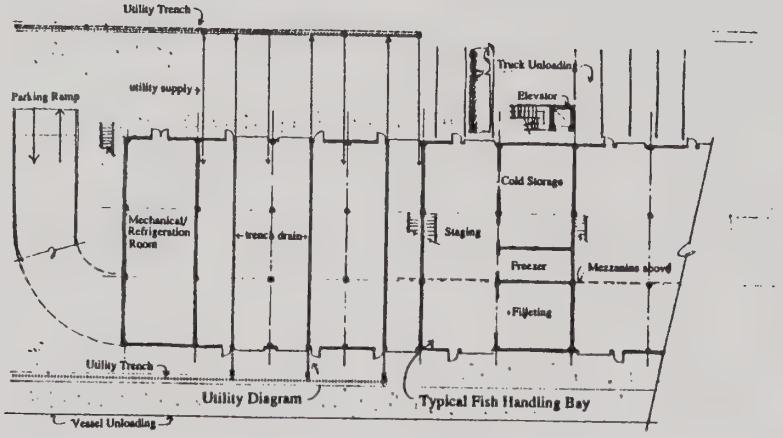
JEFFERSON STREET BUILDING SECTION
(Schemes A,B,C.D)



SECTION B (Scheme D)



MEZZANINE



FIRST FLOOR Scale 1/16"=1'-0"

Hyde Street Pier Project
Concept Design
March 25, 1987

Ripley Associates
Moffatt & Nichol, Engineers
Williams, Kuebelbeck & Associates

APPENDIX B

FINANCIAL DATA

WILLIAMS · KUEBELBECK & Associates, Inc.
Real Estate Economic, Financial and Management Consultants
1301 Shoreway Road, Suite 317, Belmont, California 94002 (415) 593-7600

Principals
Lawrence E. Williams, Jr.
James L. Kuebelbeck

Associates
Edgar C. Rust, Ph.D.
Shant Agajanian, Ph.D.

DATE: April 1, 1987

TO: Hyde Street Pier Project Advisory Committee

FROM: Ted Rust

SUBJECT: Cost Comparisons for Alternative Plans

	Scheme			
	A	B	C	D
Pier Construction	$14,772	$14,480	$15,898	$16,048
(per square foot)	(111.83)	(121.02)	(114.83)	(104.16)
Berth Construction	1,337	1,337	1,663	1,337
Building Construction	8,513	11,631	10,497	12,738
(per square foot)	(63.53)	(71.36)	(62.11)	(86.07)
Financing & Development Costs	2,812	4,874	3,710	4,578
Total Development Cost	$27,434	$32,322	$31,768	$34,701
Allocation by Function:				
"Naked" Site, Pier & Utilities[1]	$14,439	$15,496	$16,007	$16,430
Vessel Facilities:				
Berths	$ 1,403	$ 1,403	$ 1,403	$ 1,403
Lockers	--	--	328	--
Fuel Dock	1,234	1,234	1,234	1,639
Gear Storage	2,545	2,614	2,668	4,354
Covered Work Area	576	595	597	540
Hoist/Work Dock	19	19	19	19
Heads/Shower/Laundry	190	196	197	178
Long Term Parking	359	276	589	0
Subtotal	$ 6,326	$ 6,337	$ 7,035	$ 8,133
Fish Handling Shell Space:[2]				
Deck Level	$ 5,059	$ 8,299	$ 6,562	$ 7,525
Mezzanine	1,610	2,190	2,164	2,613
Subtotal	$ 6,669	$10,489	$ 8,726	$10,138

1) Excludes fuel dock, work dock and hoist; includes allocated soft cost.
2) Includes central refrigeration system; excludes tenant improvements.

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Associates
Edgar C. Rust, Ph.D.
Shant Agajanian, Ph.D.

April 1, 1987

TO: Hyde Street Pier Project Advisory Committee

FROM: Ted Rust, Williams-Kuebelbeck & Associates, Inc.

SUBJECT: Break-even Monthly Rents for Alternative Plans

	SCHEME			
	A	B	C	D
Berths/Ft.[1]	$ 3.00	$ 3.00	$ 3.00	$ 3.00
Lockers	--	--	39.00	--
Vessel Services/Berth[2]	48.00	48.00	48.00	48.00
Gear Storage/SF.[3]	.41-2.14	.42-2.20	.45-2.20	1.85
Fish Handling Shell/SF[4]	1.38	1.84	1.55	1.73
Office Shell/SF	1.62	1.71	1.62	1.85
Parking/Stall	193.00	228.00	140.00	--
Fuel Dock & Tanks	14,395.00	14,395.00	14,688.00	19,515.00

1) Includes floating walkways, finger piers, electrical power, water, lighting, security, short-term parking.
2) Includes covered work area, work dock with hoist, laundromat, restrooms, showers.
3) High rent is for ground level space in new building; lowest rent is for space on parking level of fish handling building.
4) Includes central refrigeration system, floor drains, rolltop doors, concrete floor and wainscot, loading area, wharf apron.

Table ____
COMMERCIAL FISHING FACILITIES:
COSTS AND REVENUES IN SELECTED CALIFORNIA PORT CITIES

Williams-Kuebelbeck & Associates, Inc.
April 1, 1987

Port	Lessor	Fish Handler Rents (Monthly Rent Per Square foot)	Wharfage	Utilities	Age and Term of Lease	Improvements	Pier and Dock Maintenance Obligation	Approximate Annual Pier and Dock Maintenance Cost Per Square Foot
Crescent City	Crescent City Harbor District	$.074 per month	$500 per month for fish hoist if hauling for own company; $.25 for other company	Tenant obligation	Effective 1985 for 15 years	City owned EDA financed; tenants do repairs	City obligation	$.41 per year
Eureka	City of Eureka	$1.64 per year	No charge	City obligation	Effective 1977 for 15 years	City owned	Surface: tenant; dredging and sub-structure: city	N.A.
Spud Point Marina	Sonoma County	None	Permanent berth holders: first 125 lbs. fish or first 300 lbs. crab free then 5% of dollar value of catch; Transient berth holders: 10% of dollar value of catch					N.A.
Bodega Bay	Paul Lucido; Merideth Fish Company	$1.50 per month[1)]		Tenant obligation				
Sausalito		None						
San Francisco	Port of San Francisco: Pier 45	$.20-.22 per month	$1.13 per ton	25% power surcharge	Monthly license	Port building: tenant equipment	Port	

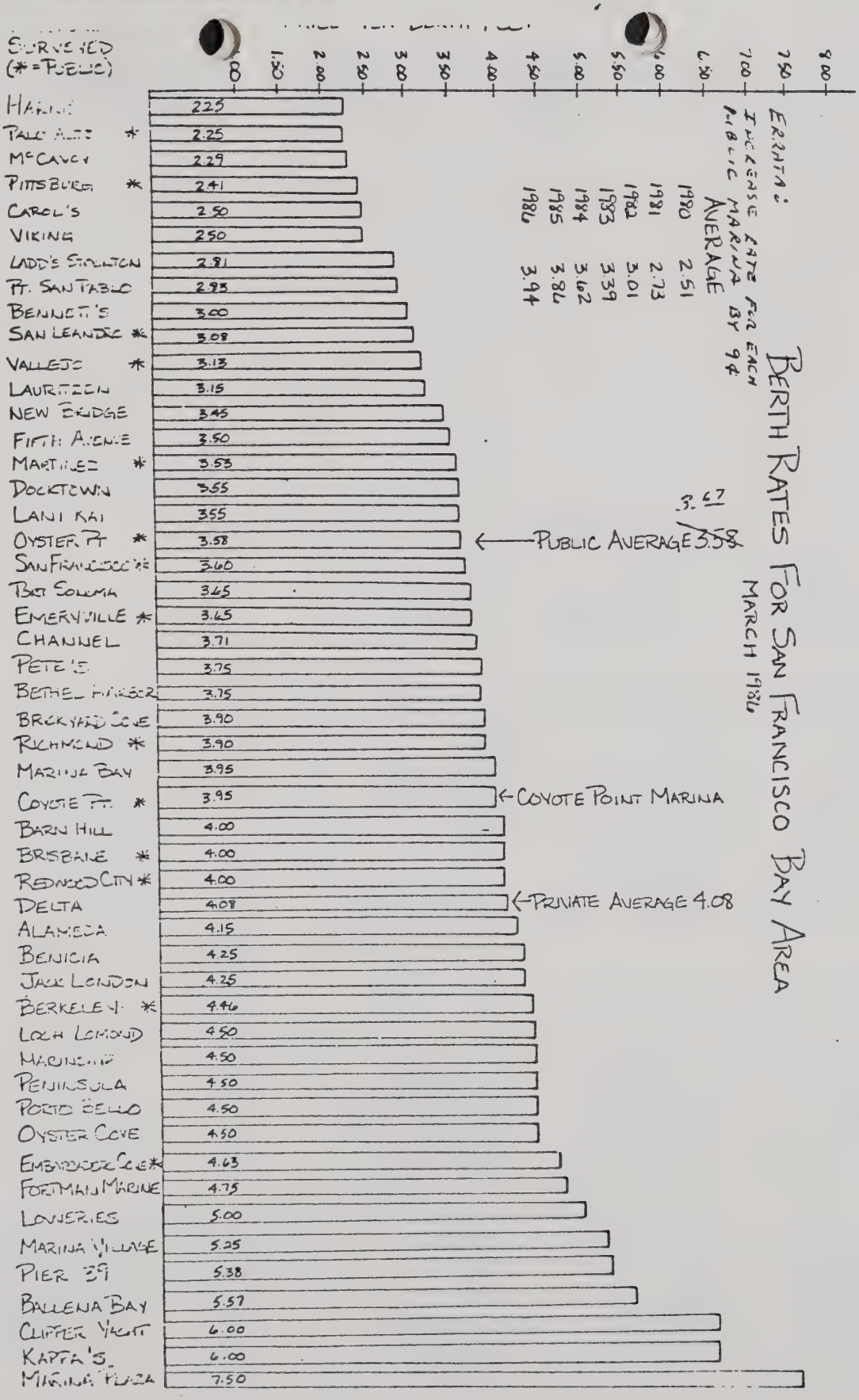
(Continued...)

Table ____ Continued
COMMERCIAL FISHING FACILITIES:
COSTS AND REVENUES IN SELECTED CALIFORNIA PORT CITIES

Port	Lessor	Fish Handler Rents (Monthly Rent Per Square foot)	Wharfage	Utilities	Age and Term of Lease	Improvements	Pier and Dock Maintenance Obligation	Approximate Annual Pier and Dock Maintenance Cost Per Square Foot
San Francisco	Port of San Francisco: Fish Alley	$.30 per month	$1.13 per ton, 100 ton limit		Effective 1976 for 60 years	Tenant owned	Pier-tenant wharf-port	
Oakland	Port of Oakland	Maximum of $.028 per month or 7% of fish sales	No charge	Tenant obligation	Effective 1984 for 10 years	Tenant owned	Tenant obligation	
Pillar Point	San Mateo County Harbor District	$.80 per month plus 1% of gross sales	No charge	Tenant obligation	Effective 1981 for 10 years	Harbor district owned	Harbor district obligation	$5.12 per square foot per year
Santa Cruz[2]	Santa Cruz Port District	$.35 per month versus 6% of gross sales	No charge	Tenant obligation	Effective 1984 for 30 years	Port owned	Port district obligation	N.A.
Moss Landing	Moss Landing Harbor District	None	$2 per ton				County obligation	$.76 per year[3]
Monterey	City of Monterey	$.76 per month	$1 per ton	City obligation	Effective 1984 for 5 years	City owned	City obligation	$1.44 per year
Port San Luis	Port San Luis Harbor District	None	$1.10 per ton				Port obligation	$.14 per year
Los Angeles	Port of Los Angeles	$.45 per year	$.55 per ton	Tenant obligation	Effective 1978 for 15 years	Tenant owned	Port obligation	$.012 per year
San Diego	Port of San Diego	$1.15 per year	$1.80 per ton	Tenant obligation		Tenant owned	Port obligation	N.A.

1) Privately owned land and building.
2) EDA financed fish transfer/restaurant structure. Same lessee for restaurant and fish transfer operation.
3) Applies to annual maintenance costs for berths in small craft harbor (65 percent commercial fishing boats).

Source: Williams-Kuebelbeck & Associates, Inc.



Source: Coyote Pt Marina Harbor Master

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DATE: May 5, 1987

TO: Randy Rossi

FROM: Ted Rust

SUBJECT: COST COMPARISONS FOR ALTERNATIVE PLANS

	Scheme		
	Mini	Retain Fish Alley	
	F - 25	D - 25	D - 40
Pier Construction	$ 8,554,032	$10,620,000	$10,620,000
(per square foot)	(97.52)	(98.69)	(98.69)
Berth Construction	1,336,986	1,336,986	1,336,986
(per berth)	(13,643)	(13,643)	(13,643)
Building Construction	5,985,569	6,472,210	7,202,009
(per square foot)	(86.19)	(86.10)	(78.21)
Financing & Development Costs	2,147,108	2,349,292	2,495,252
Total Development Cost	$18,023,695	$20,778,488	$21,654,247
Allocation by Function:			
Infrastructure[1)]	9,141,979	11,284,003	11,284,003
Vessel Facilities[2)]			
Berths	1,402,498	1,402,498	1,402,498
Hoist//Work Dock	15,735	15,735	15,735
Subtotal:	$ 1,418,233	$ 1,418,233	$ 1,418,233
Vessel Facilities[3)]			
Toilets/Shower/Laundry/Office	560,822	560,822	328,812
Gear Storage and Work Area	0	0	519,905
Long-term Parking	0	0	614,886
Fuel System	280,800	309,600	309,600
Subtotal	$ 841,622	$ 870,422	$ 1,773,203
Fish Handling Shell Space:[4)]			
Deck Level	4,387,941	4,735,829	4,735,829
Mezzanine	2,242,919	2,470,001	2,442,979
Subtotal	$6,621,860	$7,205,830	$ 7,178,808

Continued...

COST COMPARISONS FOR ALTERNATIVE PLANS
(Continued)

	Scheme		
	Clear Fish Alley		Maxi
	E - 25	E - 40	G - 25
Pier Construction	$11,549.424	$11,549,424	$20,119,524
(per square foot)	(89.02)	(89.02)	(93.52)
Berth Construction	1,336,986	1,336,986	2,053,086
(per berth)	(13,643)	(13,643)	(20,950)
Building Construction	9,183,252	11,165,623	12,492,539
(per square foot)	(85.79)	(75.56)	(85.79)
Financing & Development Costs	3,392,196	3,654,271	4,534,446
Total Development Cost	$25,461,858	$27,840,704	$39,199,595
Allocation by Function:			
Site, Pier & Infrastucture[1]	12,649,333	12,649,323	21,463,126
Vessel Facilities,			
Berths	1,402,498	1,402,498	2,153,687
Hoist/Work Dock	15,735	15,735	15,735
Subtotal:	$ 1,418,233	$ 1,418,233	$ 2,169,422
Vessel Facilities,			
Toilets/Shower/Launary/Office	577,646	328,812	560,822
Gear Storage and Work Area	0	885,398	4,757,090
Long-term Parking	0	1,557,287	0
Fuel System	374,400	374,400	576,000
Subtotal:	$ 952,046	$ 3,145,897	$ 5,593,912
Fish Handling Shell Space:[2]			
Deck Level	7,021,686	7,030,099	8,014,649
Mezzanine	3,420,570	3,597,151	1,658,486
Subtotal	$10,442,256	$10,627,250	$ 9,673,135

1) Excludes fuel system and hoist; includes entire pier, utilities and allocated soft cost.
2) Anticipated to be publicly funded.
3) Anticipated to be leasehold improvements.
4) Includes central refrigeration system; excludes tenant improvements.

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MEMORANDUM

DATE: May 6, 1987

TO: Randy Rossi

FROM: Ted Rust

SUBJECT: COMMERCIAL FISHING FACILITIES, PORT OF SAN FRANCISCO
COMPARATIVE FINANCIAL SUMMARY

	Thousands of 1987 Dollars					
	F-25	D-25	D-40	E-25	E-40	G-25
Pier, Site and Infrastructure Developer Cost (100% Port)	$9,142	$11,284	$11,284	$12,649	$12,649	$21,463
Berths and Hoist						
Development Cost	1,418	1,418	1,418	1,418	1,418	2,169
Supportable Loan	1,418	1,418	1,418	1,418	1,418	2,169
Equity Requirement	0	0	0	0	0	0
Leasehold Improvements						
Development Cost	7,463	8,077	8,952	11,394	13,773	15,267
Supportable Loan at Market Rates	1,762	1,817	1,860	2,392	2,406	1,777
Equity Requirement at Market Rates	5,701	6,260	7,092	9,002	11,367	13,490
at Breakeven Rates	0	0	0	0	0	0
Initial Port Investment at Market Rates	14,843	17,544	18,377	21,651	24,016	34,953
at Breakeven Rates	9,142	11,284	11,284	12,649	12,649	12,463
Annual Port Cash Flow at Market Rates	46	22	22	11	9	-167
at Breakeven Rates	311	304	304	400	169	241

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M E M O R A N D U M

DATE: May 6, 1987

TO: Randy Rossi

FROM: Ted Rust

SUBJECT: TYPICAL MONTHLY CHARGES FOR COMMERCIAL FISHING FACILITIES

	MONTHLY CHARGES[1]		
	Port of SF	Other CA Ports	Breakeven[2]
Berths/Ft.	$1.00-$2.00	$2.00-$4.50	$3.00
Gear Storage/SF	.20-.30	.05-.80	.42-1.47
Fish Handling/SF[3]	.22-.38	.05-1.50	1.38-1.83[4]
Wharf Apron/SF	.10	--	10.33[5]
Long Term Parking/Space	0-30.00	--	100.00-180.00
Diesel Wharfage/Gallon	.00335	.01-.05	.025

1) Rent plus typical surcharges.
2) Based on March 1987 cost estimates for Hyde St. Pier alternatives. Repays estimated debt service, operating and maintenance costs for berths and buildings; disregards pier cost except as noted.
3) Including wharfage on 100 tons/month fish per 5,000/SF leasehold.
4) Includes $.38/SF ground rent on ground level space only.
5) Repays prorata share of pier construction, operation and maintenance costs for apron area only.

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M E M O R A N D U M

April 27, 1987

TO: Hyde Street Pier Team

FROM: Ted Rust

SUBJECT: POTENTIAL FINANCING SOURCES AND TERMS

INTRODUCTION:

The following survey of potential sources of capital funding for the Hyde Street Pier project makes it clear that no firm and sufficient sources for any project element have been found. The following appear to be the ones most worth pursuing.

A CalBoating loan for berths and minor vessel services stands a fair chance of approval, but staff opposition to permitting exclusive use by commercial vessels will have to be overcome. The agency does have the power to authorize separate commercial and recreational facilities within the same harbor, and will have to be persuaded that the city waterfront is all in the same harbor.

The combination of a NMFS loan guarantee and a CUWARFA revenue bond issue appears to be the one plausible way to finance a significant part of the pier cost. The financial cost would be significant, however, with the premiums on the guarantee partly offsetting any interest savings due to the tax exemption. Both agencies are willing to be flexible about subordination, but some reasonable security will be required. Additional time, cost and approval risk would be involved in getting a Conservancy-approved Urban Waterfront Restoration Plan.

For tenants which are small businesses, there seems to be a reasonable array of credit sources for improvements and equipment. There may be some problem in adapting the California Department of Commerce program to a leasehold situation. For both small and larger busineses, the NMFS fisheries loan guarantee program (covered in Section B.3) could be very helpful in gaining access to conventional bank financing at market rates.

A. BERTHS AND VESSEL SERVICES

Small Craft Harbor Development Loan

Authority: Sec. 70, Harbors and Navigation Code
Source: California Department of Boating and Waterways
Terms: 30 years, 4.7%
Loan Limits: 100% of cost
Typical Loan Amounts: $500,000 to $5,000,000
Restrictions: Separate facilities for commercial craft require special approval. Equal provision for recreational craft is required. No private revenue generating facilities funded.
Application Deadline: June 1, 1987; annual cycle.
Approval by: Board, legislature
Earliest Funding: July 1988
Chance of Approval: Fair (exclusive commercial use is a problem).
Contact: Jim Matsueda (916) 322-1800.

B. PIER AND BUILDINGS

1. Grants

Urban Waterfront Restoration Grants

Authority: PRC 31307,5096.232
Source: California Coastal Conservancy
Restrictions: Coastal act purposes; capital projects only.
Typical Grant Amounts: $10,000-$1,000,000
Current Funding: $10,000,000.
Requirements: Budget, work program, local permits, EIR
Application Deadline: Flexible
Approval by: Board
Earliest Funding: 6 months from complete application
Chance of Approval: Poor (staff regards public coastal access a secondary purpose of project).
Contact: Mark Beyeler (415) 464-1015

Title I Public Work Grants

Authority: U.S.C.
Source: Economic Development Administration, U.S. Department of Commerce
Terms: 50 percent matching grant to public agency
Typical Amount: $300,000-$1,500,000.
Total Funding: $140 million nationwide.
Restrictions: Priority to high unemployment areas; poverty pockets, plan for directing jobs to areas of greatest need.
Application Deadline: Flexible
Approval By: Assistant Secretary
Earliest Funding: 6 months from formal application
Chance of Approval: Poor (low city unemployment levels).
Contact: Bill Lewis (707) 252-2033

Urban Development Action Grants

Authority: 42 U.S.C. 5301 et seq; P.L. 95-128; 42 U.S.C. 3535(d)
Source: U.S. Dept. of Housing and Urban Development
Typical Amounts: $25,000 to $30 million
Restrictions: For economically distressed cities or pockets of poverty; cities must apply; must combine with substantial private investment (2.5:1); must show job generation; must show "but for UDAG, the project would fail."
Application Deadlines: January, April, July, October.
Cycle: 2 month review period.
Approval by: Secretary
Earliest Funding: September 1987
Chance of Approval: Poor (not in a "distressed community" or "pocket of poverty")
Contact: Sandra Peters or Steve Sachs (415) 556-8484.

2. Loans

Urban Waterfront Loan Program

Authority: PRC Sec. 31300 et seq
Source: California Coastal Conservancy
Terms: 10 years, 8 percent
Typical Loan Amounts: $100,000 to $1,000,00¶
Total Funding: $3.5 million statewide
Restrictions: 90 percent or more must be used for hard costs
Requirements: Plans, local permits, EIR
Application Cycle: Monthly
Approval by: Board
Chance of Approval: Fair (for $1 million or less)
Contact: Mark Beyeler (415) 464-1015

CUWARFA Revenue Bonds

Authority: PRC 32000 et seq.
Total Authority: $650 million
Current Obligations: Under $20 million
Source: California Urban Waterfront Restoration Finance Authority
Terms: Tax exempt market rates
Conservancy Requirements: Must be part of an "urban waterfront restoration Plan" approved by Coastal Conservancy.
CUWARFA Requirements: Must obligate project revenue or equivalent security and show economic viability; must secure at least a rating or must place with sophisticated investors.
Tax Exemption Requirements: At least 90 percent of proceeds to public purpose; numerous other restrictions.
Approval by: Coastal Conservancy Board, CUWARFA
Earliest Funding: 6 months from inducement resolution
Chance of Approval: CUWARFA good (with loan guarantee); Conservancy fair to poor.
Contact: Rolfe Thompson (916) 445-9597

Industrial Development Revenue Bonds or Certificates of Participation

Source: Port or City
Terms: Tax exempt market rates with project-specific risk premium
Restrictions: At least 90 percent of proceeds must go to public purposes for federal tax exemption: California IDRBs may not be used for docks and wharves

Taxable Bonds or Conventional Borrowings

Source: Port, city or tenants
Terms: Market rates
Restrictions: Must demonstrate ability to repay; rates reflect risk; probably not marketable without guarantee
Applicability: Revenue generating improvements

3. Loan Guarantees

Public Works Loans Guarantees

Source: Economic Development Administration, U.S. Department of Commerce; Private lenders
Terms: Guarantees repayment of private debt obligations
Restrictions: Present administration severly restricts use - only one guarantee made in 1986, none in 1987.
Contact: Bill Lewis (707) 252-2033
Application Deadline: Flexible
Approval by: Assistant Secretary
Earliest Approval: Six months from application
Chance of Approval: Very poor

Fisheries Obligation Guarantee Program

Authority: 46 U.S.C. 1271-1279
Source: National Marine Fisheries Service, NOAA, U.S. Dept. of Commerce
Terms: Up to 25 years, private market rate; premium 1% per year on outstanding balance
Guarantee Limits: 100% of financings representing 80% of cost
Typical Amounts: $100,000 to $5,000,000
Restrictions: Owners must demonstrate fishing industry ability and experience, economic and financial soundness
Requirements: Senior lien or equivalent security, insurance, bidding, ½% filing fee
Application Deadline: Flexible
Approval by: Director, Financial Services, NMFS, Washington
Earliest Approval: 3 months from complete application to commitment letter
Chance of Approval: Good if acceptable security can be provided by Port
Contact: Stuart Joblon (213) 514-6685

C. BUILDINGS, TENANT IMPROVEMENTS AND EQUIPMENT

San Francisco Small Business Loan Program

Source: Mayor's Office of Housing and Economic Development
Terms: Up to 10 years at 7%
Loan Limit: $50,000
Restrictions: Must be used for fixed assets
Applicability: Tenant improvements, equipment
Contact: Susan Nakata (415) 558-2881

California Small Business Loan Guarantees

Source: California Department of Commerce and private lenders
Terms: 90% guarantee, $350,000 maximum
Restrictions: To owner occupied small businesses only
Applicability: Building improvements and equipment
Contact: Karen O'Dowd (916) 322-1398

Small Business Administration Loans and Loan Guarantees

Source: U.S. Small Business Administration and private lenders
Terms: Vary
Restrictions: For small businesses only
Applicability: Real estate (504), tenant improvements and equipment (502), working capital (7A)
Contact: (415) 974-0617

Commercial Fisheries Research and Development (Saltonstall-Kennedy) Grants-in-Aid

Source: National Marine Fisheries Service, NOAA, U.S. Department of Commerce
Permitted Uses: Fisheries research, development and demonstration projects
Restrictions: No capital construction funding
Applications: Innovative features of buildings or equipment having Nationwide research value
Contact: Stuart Joblon (213) 514-6685

FUNDING SOURCE
APPLICABILITY MATRIX
HYDE STREET PIER PROJECT
(Subject to Agency Priorities and Funding)

	BERTHS	PIER	SITE & UTILITIES	BUILDINGS	TENANT IMPROVEMENTS & EQUIPMENT
FEDERAL					
Economic Development Administration					
-Title I Grants		X	X		
National and Urban Development					
-Fisheries Obligation Guarantee	X	X	X	X	X
-Research and Development Grants					X
Housing and Urban Development					
-Urban Development Action Grants		X	X		
Small Business Administration					
-Loan Guarantees					X
STATE					
Coastal Conservancy					
-Urban Waterfront Loans		X		X	
-CUWARFA Loans	X	X			
-Conservancy Grants	X	X			
Department of Boating and Waterways					
-Small Craft Harbor Loans	X				
Department of Commerce					
-Small Business Loan Guarantees				X	X
CITY					
Mayor's Office of Housing and Economic Development					
-Small Business Loans					X
PRIVATE					
-Tax Exempt Debt	X	X	X		
-Taxable Debt	X	X	X	X	X